

put together the sales tax program which the State of Nebraska desperately needed, they made a deal. They had to sell it in the rotunda, didn't worry about the people, they worried about the rotunda, and the deal they made was to the retailers. They said, hey, just go along and you get 3%. But you know what 3% was? It was 3% of a 2% sales tax at prices of 1967 and that generated \$2 million. Today, because our sales tax rate has increased from 2% to 3.5% because Omaha has added 1.5% on top of that, Lincoln has added 1% on top of that, Bellevue has added 1% on top of that, this little deal that was cut in the rotunda in 1966 is now worth \$11.6 million as opposed to a \$2 million. Now Senator Peterson will keep that bargain alive all the way notwithstanding the fact that our sales tax rate has changed, almost doubled since the deal was cut, notwithstanding that our neighboring states in the main allow no collection fee allowance whatsoever and the prices of their goods incidentally are not different....

SPEAKER NICHOL: One minute.

SENATOR V. JOHNSON: ...than the prices of Nebraska goods. The truth of the matter is that the retailers got the better of the bargain and all we are doing with this little measure, and it is a very simple straightforward measure, is simply saying let's roll it back to a fair level and still keep that initial rotunda bargain. We didn't bargain for increases in the sales tax rates. We had a 2% sales tax rate in 1967 and that is what the 3% figure was based on. That is all we are doing. I ask you to reject Senator Peterson's amendment.

SPEAKER NICHOL: Senator Wesely is up next but I would like to announce that Senator Don Eret has guests in the North balcony. They are 18 students of the senior class of the Fairmont High School. Toby Boss is their sponsor. Would you please stand and be recognized. Thank you. Senator Wesely.

SENATOR WESELY: Thank you. Mr. Speaker and members of the Legislature, I think Senator Johnson has outlined the issue very clearly. Senator Peterson talks about a compromise but the compromise is really the bill as presently before you. Keep in mind that legislation was introduced by Senator Fowler and I, to totally eliminate the collection fee whatsoever on retail sales and that bill was killed by committee and instead LB 571 as presently constituted was advanced as an attempt to compromise between that effort to eliminate the collection fee in the present situation where we're the top of any state in the nation in terms of the collection fee we allow. Now if you will look at the chart that was passed out, I think, when the first debate concerning this bill was considered a week or two ago you will see that 3% is the maximum that you will find any state provides for in collection fees across the